

Adjudication funding: Page 7, Following performance expectations.

Recommendation Option: The continued funding of the water right adjudication is of statewide importance. In 2007, House Bill No. 473 authorized a general fund transfer of \$25 million to the water adjudication account provided for in 85-2-280 to be used for the sole purpose of completing the statewide water adjudication by 2020. All available money in that fund should continue to be used for that sole purpose.

Exempt wells

Finding Option: More than 109,000 exempt wells in Montana are on file with the DNRC. It is estimated that nearly a quarter of those exempt wells are located within the five major river basins closed to most new ground water appropriations unless surface water depletion is analyzed and mitigated, if necessary.

Finding Option: The use of individual water wells exempt from permitting is appropriate in many parts of Montana, but there are concerns, especially in closed basins, about the cumulative effect of exempt wells on existing water rights.

Finding Option: Controlled ground water areas are local areas where all ground water withdrawals are subject to review. Establishing a controlled ground water area requires an applicant to provide a significant amount of hydrogeologic evidence.

Recommendation Option: The Ground Water Investigation Program is an unbiased source that can provide policy makers and others, including those who may petition for a controlled ground water area, with valuable hydrogeologic information about the effects of exempt wells and other ground water withdrawals. Funding for the Ground Water Investigation Program should continue at the level needed to provide this information.